
Application

2004

Lower-Emission School Bus Program



939 Ellis Street
San Francisco, CA 94109
October 2004

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Introduction

This document summarizes the application process and requirements for the Lower-Emission School Bus (LESB) Program. Potential applicants are encouraged to review this document in its entirety prior to preparing a grant application.

The Lower-Emission School Bus Program provides financial incentives to public school districts to replace older school buses to reduce the exposure of school children to harmful emissions of particulate matter (PM), and to reduce the emissions of oxides of nitrogen (NOx) and non-methane hydrocarbons (NMHC), which contribute to summertime smog.

The Bay Area Air Quality Management District (Air District) may approve, at its discretion, grants for the following:

- ✓ at least \$1 million for the purchase of qualifying alternative fuel school buses,
- ✓ up to \$900,000 for the purchase of qualifying diesel school buses.

No applicant is guaranteed funding.

Please note that in order to receive funding, a participating school district must commit to the retrofitting of all eligible existing diesel buses in the school district's fleet with particulate matter control devices. The Air District will pay all costs for the retrofits. Additional details on available retrofit devices are provided below.

The Air District will begin accepting applications on Monday, November 15, 2004.

Submit one (1) copy of the application form to:

Karen Chi, Environmental Planner
BAAQMD
939 Ellis Street
San Francisco, CA 94109

Funding will be awarded on a first-come, first-served basis. The Air District will fund all eligible applications that are received on or after November 15, 2004, as long as sufficient funds are available to do so. When the Air District's funds become insufficient to honor all requests, grant awards will be made through the use of a random lottery. Separate lotteries will be used for alternative fuel buses, and diesel buses. In determining eligibility, the Air District will comply with the program requirements adopted by the California Air Resources Board (CARB) on March 27, 2003, and the guidelines for the LESB Program issued by CARB in June 2004.

Health and Safety (H&S) Code Section 43023.5 requires the Air District to distribute at least 50% of the Lower-Emission School Bus Program funds in areas with the most significant exposure to air contaminants. Air District staff may make adjustments to the funding allocations to ensure that the requirements of this state law are fully met. A copy of the Air District's current methodology for determining compliance with H&S Code Section 43023.5 is available upon request from Karen Chi at (415) 749-5121 or kchi@baaqmd.gov.

Which Parts of the Application Form Should be Completed?

All school districts interested in applying for grants to purchase new school buses should complete parts A, B, C and D of the application.

School Bus Purchase Requirements

All requests for funding to purchase a new school bus must meet the following requirements to be eligible:

1. Only public school districts located within the Air District's jurisdiction that own and operate school buses, including school districts under provisions of a joint powers authority (JPA), can apply for funding to purchase new buses.
2. Only replacement buses will be funded. Fleet expansion buses are not eligible for funding.
3. Within each school district's fleet, priority will be given to the replacement of school buses built prior to 1977. All active pre-1977 buses in any given fleet must be replaced before any 1977 or later model may be considered for replacement. Any pre-1977 bus replaced under the program shall be destroyed.
4. For school bus fleets with no pre-1977 buses, then heavy-duty diesel or heavy-duty gasoline (without catalytic converters) buses built between 1977 through 1986 are eligible for replacement. These buses shall be either destroyed or replace a California Highway Patrol (CHP) certified pre-1977 school bus (not restricted to public school fleets). The displaced pre-1977 bus shall then be destroyed.
5. All replaced buses must be in current use and have current CHP certification.
6. All buses – both old and new – must have a Gross Vehicle Weight Rating greater than 14,000 pounds.
7. The new buses purchased under this program must be owned and operated by the grant recipient school district for a minimum of five (5) years. The Air District may require repayment of grant funds if a school district sells or otherwise discontinues use of a lower-emitting bus purchased under this program.

8. Funding is available for new natural gas, propane, diesel and electric school buses. Engines must meet specified emission limits. Diesel buses funded through the program must operate on ultra-low sulfur diesel fuel [maximum sulfur content of 15 parts per million (ppm) by weight] and be equipped with a diesel particulate filter. Natural gas buses must be equipped with an oxidation catalyst.
9. School districts must replace buses with the purchase of:
 - a) new natural gas, propane or electric buses certified to CARB's optional reduced emission standards [1.8 grams per brake horsepower-hour (g/bhp-hr) of NO_x plus NMHC or lower] with a PM emission level of 0.03 g/bhp-hr or lower; or
 - b) new diesel-fueled buses with manufacturer's engines certified by CARB to a 2.4 g/bhp-hr NO_x plus NMHC emission level (or lower), or 2.5 g/bhp-hr with a 0.5 g/bhp-hr cap on NMHC, and 0.01 g/bhp-hr PM emission level. These buses will require the use of ultra-low sulfur diesel fuel (sulfur content of no greater than 15 ppm).
10. The amount of funding provided by the Air District for the purchase of a school bus shall be consistent with the prices and descriptions on the contract maintained by the State Department of General Services (DGS). School districts will be responsible for the cost of any options not included in the contract base price, except for the purchase and installation of seat belts. Funding will cover prorated taxes and any DGS contract fees. If there is no DGS contract available when a school district requests funding, pricing will be based on the following "piggyback" or cooperative bids, as approved by CARB:
 - A-Z Bus Sales (Bluebird) San Benito Union High School District
 - California Bus Sales (Thomas) Southwest Public Schools TA
 - West Coach (International) Central Unified School District Bid #71
11. School districts shall provide \$10,000 of the total cost (including taxes) for each new school bus purchased as a replacement for a pre-1977 school bus in their fleet. The Air District will pay the remaining cost (including taxes) of the bus, as established by the DGS, or as established in one of the existing CARB-approved bids from another school district. The pre-1977 bus slated for replacement must have been continuously registered to the school district at least for the previous five years. The costs of any options or additional features are the responsibility of the local school district.
12. School districts shall provide \$25,000 of the total cost (including taxes) for each bus purchased as a replacement for a 1977 to 1986 school bus in their fleet. The Air District will pay the remaining cost (including taxes) of the bus, as established by the DGS, or as established in one of the existing CARB-approved bids from another

school district. The costs of any options or additional features are the responsibility of the local school district.

13. Participating school districts will be required to install a diesel particulate matter retrofit device on all other eligible diesel buses in their fleet as a condition to receiving LESB Program funding to purchase a new bus or buses. The Air District will cover 100% of the cost to install either a diesel particulate filter or an oxidation catalyst, whichever provides the highest level of control for a particular bus, plus \$500 per retrofitted bus to cover the cost of ultra-low sulfur diesel fuel.

Currently CARB has approved retrofit devices for most 1991 and newer diesel engines. Information on available retrofit devices is available via the internet at <http://www.arb.ca.gov/diesel/verdev/verdev.htm> or by contacting Karen Chi at (415) 749-5121 or kchi@baaqmd.gov.

14. The new school buses must be delivered before December 31, 2005. The Air District will reduce its grant by \$100 per day for every day a bus is delivered after December 31, 2005.

Payment of Funds

Payment for the Purchase of New Buses

Funds for replacement buses will be paid by the Air District after delivery of the new school bus(es) to the school district. Proof of vehicle delivery and final purchase price of the bus(es) must accompany any request for payment of approved funds. Proof of destruction of the replaced bus should also accompany the request for payment.

Payment for Installation of Particulate Matter Retrofit Devices

The Air District will pay funds for retrofit after completion of the installation of all particulate matter retrofit devices on eligible school buses. Proof of completion must accompany any request for reimbursement of approved funds for school bus retrofit.

Monitoring and Reporting

Participating school districts will be required to keep the Air District informed on the status of their procurement of new buses and the installation of the particulate matter devices on existing eligible diesel school buses.

School districts will need to retain records for a minimum of five (5) years, showing annual fuel consumption and either annual miles or annual hours of operation for each new bus purchased, and each bus retrofitted as part of the LESB Program.

Schedule

October 20, 2004	Release of applications
November 15, 2004	Begin accepting applications
January 31, 2005	Deadline to order new buses for replacement projects
December 31, 2005	All new buses delivered; filters installation completed.

Application Instructions

To receive funds through the Lower-Emission School Bus Replacement Program, school districts must complete the included application form. All school districts must complete Parts A, B, C and D.

Part A of the application form should be signed by the Superintendent of the School (or General Manager of a JPA), or a designee. An authorizing resolution from the Board of Education (or JPA Governing Board) is not required for the submission of an application

Applicants may attach additional information as needed. Additional application forms are available via e-mail at kchi@baaqmd.gov, or on the Air District's web site at www.baaqmd.gov/pln/grants_and_incentives/school_bus/index.asp.

The Air District will begin accepting applications on Monday, November 15, 2004. Applications received prior to that date will be returned to the applicant for resubmission. Completed Applications should be mailed or delivered to:

Karen Chi
Environmental Planner
Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

For assistance in completing an application or for answers to any questions regarding the program, please contact Karen Chi at (415) 749-5121 or kchi@baaqmd.gov.

**Lower-Emission School Bus Program
Application Form - Part A
SUMMARY INFORMATION**

APPLICANT INFORMATION**SCHOOL DISTRICT:** _____

Street Address: _____

City: _____ County: _____ Zip _____

CONTACT PERSON:

- Name/Title/Position: _____
- Phone Number: _____ Fax Number: _____
- E-mail Address: _____

PURCHASING NEW BUSES

Fuel type/number of buses requested:

- Natural Gas: _____ Diesel: _____ Electric: _____ Propane: _____
- Total cost of bus(es) (including taxes): \$ _____
- Total funding requested: \$ _____

Fill out Parts B, C and D**AUTHORIZED SIGNATURE**_____
Signature_____
Title_____
Date_____
Print Name

**Lower-Emission School Bus Program
Application Form - Part B
INFORMATION ON EXISTING BUSES SLATED FOR REPLACEMENT**

<u>License Plate #</u>	<u>VIN Number</u>	<u>Manufacturer</u>	<u>Gross Vehicle Weight</u>	<u>Year Built</u>	<u>Fuel Type</u>

Note: Please complete one row for each bus to be replaced. Attach additional forms as necessary.

**Lower-Emission School Bus Program
Application Form - Part C
INFORMATION ON NEW BUSES**

<u>Vehicle make and model</u>	<u>Engine make and model</u>	<u>Gross Vehicle Weight</u>	<u>Cost per Bus *</u>	<u>Fuel Type</u>

Note: Please complete one row for each bus to be replaced. Attach additional forms as necessary.

* Attach documentation on cost per bus, preferably a vendor quotation.

DIESEL SCHOOL BUS FLEET INVENTORY

[illegible]

Please complete one row for each diesel school bus in the fleet. Please do not include buses listed in Part B. Attach additional pages, as needed. ***Printouts from electronic fleet maintenance records may be substituted for the above form, provided all requested information is submitted to the Air District.***